II. SPECIFICATION AMENDMENTS

1.   Please replace the first paragraph after the title beginning on page 1, and beginning with the words "This application claims the benefit of the earlier filed International Application" as rewritten below:

This application claims the benefit of the earlier filed United Stated Provisional Application No. 60/089,212 with a United States filing date, 15 June 1998 and the earlier filed International Application No. PCT/US99/13488, International Filing Date, 15 June 1999, which designated the United States of America, and which international application was published under PCT Article 21(2) in English as WO Publication No. WO 99/66422 on 23 December 1999.

2.   Please replace the paragraph beginning on page 16, line 18 through page 16, line 32 as rewritten below:

For installing or upgrading a software component, e.g., the code of postage generation program 300, the user may be provided with a compact disk (CD), or another conventional storage medium, e.g., a floppy disk, IC module, digital video disk (DVD), etc., containing the necessary software, and authorization code 600 on the storage medium package which is generated in data center 125 for verification after the software installation or upgrade. The new software version number of program 300 may be embedded in the header of the program. When the software installation or upgrade is performed, the new software version number is read by computer 105 and transferred to counter 260 in memory 200 where the new

software version number replaces the current software version number (iv).

3.   Please replace the paragraph beginning on page 18, line 13 through page 19, line 7 as rewritten below:

It should also be noted that the above authorization code verification may also be performed via direct communications between data center 125 and franking system 100, thereby obviating the need of having the user enter the authorization code. Figs. 8A and 8B jointly illustrate remote configuration process 800 whereby a user can purchase a new feature option or software online, and whereby authorization code 600 is verified via direct communications between data center 125 and system 100. Process 800 may be invoked by the user's entering a specified command on computer 105. Similar to the above-described TMS process for requesting additional postage, process 800 starts with prompting the user for an access entry (e.g., a password, key or biometric input) on computer 105, as indicated at step 806 in Fig. 8A. Verification of such an access entry is verified at step 809.~ If the access entry is not verified in step 809 the program ends and franking is halted. Computer ~~computer~~ 105 at step 812 establishes a communication connection with data center 125 via modem 120. Through the established connection, processor 130 in data center 125 performs initial handshaking with franking system 100 according to a pre-agreed upon communication protocol, thereby identifying at step 815 franking system 100, e.g., by its PSD serial number. Based on the PSD serial number, processor 130 at step 818 located in database 140 the record pertaining to franking system 100.

4.   On page 39, after the title "Claims" and before Claim 1 please insert the following paragraph:

What is claimed is:

5. On a separate page, page 52, please insert the following paragraph as the abstract:

Abstract of the Disclosure

In a franking system a postal security device (PSD) tracks a postage fund for dispensing postal indicia and enforce the configuration of the franking system. An authorization code, which is particular to the system, is used to verify the system configuration. An authorized change in the system configuration causes invalidation of the code and generation of the postal indicia is denied. Data center (125) records configuration information of each franking system (100). The data center generates a valid authorization code for verification in the franking system based on the new configuration information. Components added to the system must be preapproved to prevent fraudulent generation of postage indicia. A registration identifier is assigned to each preapproved component which is necessary for interaction with the franking system.